

NAVEL FOCUS GROUP

MINUTES OF THE NAVEL FOCUS GROUP TELECONFERENCE HELD AT 16:00 ON 18 MAY 2016

1. Welcome

The chairman, Gabriele Van Eeden welcomed all. He noted that the role of the variety focus groups was endorsed at the joint meeting in March and stressed the importance of keeping the group strong and together now and in the future. He thanked the participants for making their time available to the industry.

2. Present:

Gabrie van Eeden	(Chairman)	Western Cape
Hannes de Waal	(Vice Chairman)	Sunday's River Valley
Hendrik Schoeman		Senwes
Barry Mildenhall		Eastern Cape Midlands
Graham Piner		Nelspruit
Eric Nohamba		Citrus Development Chamber
Graham Barry		(observer – on behalf of CGA)
John Edmonds		secretariat – CGA

3. Apologies:

Phillip Dempsey	Patensie
Peter Button	S-Kzn
Jaco Burger	Boland
Danie Matthewson	Vaalharts

4. Approval of Minutes of Meeting held on 18 May 2016.

The minutes were approved; proposed by Hannes de Waal.

5. Matters Arising from Minutes

There were no matters arising.

6. Projections for 2016

Please refer to the appendix1 below for the latest projections.

Overall the projection is down by 100 000 cartons to 25 million cartons with Nelspruit expecting fewer cartons in the early stages.

Western Cape: Gabriele Van Eeden reported no change on the overall estimate of 7.2 million cartons. He noted that the total volume on the trees was less but the good quality compensated for this. Initial sizing is peaking on 72/88 and later they expect 72/64/88 which is normal for the Western Cape. Timing is about a week early with good internal and external quality.

Nelspruit:

Graham Piner dropped the Nelspruit projection by 100 000 cartons to 1.46 million cartons.

Senwes: Hendrik Schoeman said that they were earlier than normal. Early varieties are packed and they had just started with Bahaninas, Palmers and Washingtons. They are trying to finish lemons first. Due to the hail there is a lot of scarring and pack-outs are poor. Thus they are concentrating on Europe and have less available for the Far Eastern markets. Sizes are peaking on 64/72/56. They had a "spray friendly" summer, so CBS is not a problem for navels and lemons.

Sunday's River Valley: Hannes de Waal reported, unlike Senwes they were packing navels early and were at full-steam with packing. This is because they had to hold back on their lemons due to colour development and

there was some creasing in the navels. Packouts are exceptional; over 80%. Fruit is very clean with reasonable colour and good brix but unusual weather had seen some creasing. He noted more CBS than previously which is unusual for navels but he was confident the EU programs will be fine. Counts are smaller, peaking on 64/72/88s which suited them. He expects a lot of navels from the Sunday's River Valley.

Patensie: Philip Dempsey (via e-mail) left his estimate unchanged. Sizing 64/72/88/56 smaller than 2015; later in the season bigger sizing; 15-20% creasing. Still degreening currently. Volumes will be more from next week onwards.

Eastern Cape Midlands: Barry Mildenhall reported that they are a little earlier than last year and pack-outs are good.

Graham Barry noted that acid levels seemed to be generally lower this year and cautioned growers about the increased possibility of granulation, especially with the larger counts.

7. Markets

Europe:

Hannes de Waal reported that Navels were done well and prices strong due to Spain being out early and the poor quality offering from Egypt. Unless there is some incident that may reduce consumption, the road forward seems clear. Hendrik Schoeman concurred noting that prices are about \$1.50 higher than the corresponding period last year.

Middle East:

Hannes de Waal noted that Ramadan is early this year so growers must get started. He felt that the picture would change after Ramadan. Hendrik Schoeman cautioned on Middle East saying this market is good but could change overnight. Hannes remarked that the current prices do not seem to reflect the economic realities in Saudi and Dubai where economic conditions were harsh.

Far East:

There was little to report on this market yet. Hendrik Schoeman repeated that their quality issues prevented them going there.

Russia:

Hannes de Waal said the market is undersupplied at present and prices are good. Hendrik Schoeman noted prices are about \$1.50 higher than the corresponding period last year.

USA:

Gabrie van Eeden said the Californian crop is big and late this year which presents a challenge to the Western Cape growers. They will only start packing later this week for this market.

8. Next Meeting.

John Edmonds will liaise with Deon Joubert about a joint Navel Focus Group/Valencia Focus Group teleconference. Gabriele noted that Navels should still be a separate item on the joint agenda. The next teleconference should not be later than 15 June.

Appendix1:

Projection of Navels volume to be packed for Export in 2016 (15kg equivalent cartons.)

Year	Boland	E. Cape Midlands	Nelspruit	Patensie	S.R. Valley	Senwes	S-KZN	VaalHarts	W. Cape	Other	South Africa
2005	277 838	568 749	802 586	2 048 008	3 293 269	3 707 481	408 407	131 314	3 329 535	722 828	15 290 015
2006	267 386	846 958	865 679	2 248 753	4 230 164	3 409 950	406 920	253 450	3 797 915	284 228	16 611 403
2007	274 139	744 582	1 116 399	2 799 115	5 208 675	4 450 731	311 827	137 507	3 431 463	260 823	18 735 260
2008	341 430	937 350	1 032 090	2 591 908	5 313 710	5 218 682	372 034	292 760	5 221 000	240 560	21 561 524
2009	256 107	808 261	961 159	2 121 900	4 925 110	5 449 626	360 238	208 357	4 120 581	190 948	19 402 287
2010	342 347	941 388	1 218 362	2 409 471	5 328 179	5 806 075	355 615	232 706	5 672 791	630 856	22 937 790
2011	312 181	499 649	1 135 752	2 846 144	5 775 956	4 753 698	261 943	91 670	5 328 138	153 175	21 158 307
2012	318 161	744 740	1 262 146	2 948 197	6 143 159	6 002 833	250 082	110 259	6 577 378	197 450	24 554 405
2013	305 888	767 463	1 537 188	2 625 274	6 361 323	7 121 280	233 673	172 339	6 083 598	210 862	25 418 888
2014	386 315	722 882	1 528 121	3 277 310	6 507 688	5 797 582	163 499	170 212	7 248 214	194 347	25 996 170
2015	326 085	909 310	1 629 346	3 045 968	6 034 947	5 539 406	215 387	219 617	6 282 791	258 081	24 460 938
est 2016	371 737	850 000	1 560 000	3 310 000	6 460 000	4 763 889	150 000	220 000	7 175 000	255 000	25 115 626
PROJECTION	371 737	850 000	1 460 000	3 310 000	6 460 000	4 763 889	150 000	220 000	7 175 000	255 000	25 015 626

